NGWORTH HOB. WASHINGTON, DC 20515 www.GOP.gov PHONE 202,225,5107 FAX 202,226,0154

H.R. 6630 - TO PROHIBIT THE SECRETARY OF TRANSPORTATION FROM GRANTING AUTHORITY TO A MOTOR CARRIER DOMICILED IN MEXICO TO OPERATE BEYOND UNITED STATES MUNICIPALITIES AND COMMERCIAL ZONES ON THE UNITED STATES-MEXICO BORDER UNLESS EXPRESSLY AUTHORIZED BY CONGRESS

FLOOR SITUATION

H.R. 6630 is being considered on the floor under suspension of the rules and will require a two-thirds majority vote for passage. This legislation was introduced by Representative Peter DeFazio (D-OR) on July 29, 2008. The Committee on Transportation and Infrastructure ordered the bill to be reported by voice vote on July 31, 2008.

H.R. 6630 is expected to be considered on the floor of the House on September 9, 2008.

SUMMARY

This legislation requires the Secretary of Transportation to terminate a one-year pilot program which allows certain motor carriers based in Mexico to operate throughout the United States. The program was initiated on September 6, 2007. Additionally, Congressional approval would be required for any future authorities allowing such carriers to operate in the U.S.

H.R. 6630 also requires the Department of Transportation to submit three reports to Congress regarding the pilot program.

BACKGROUND

On September 6, 2007, the Department of Transportation began a pilot program to allow certain Mexican trucks to operate in the United States, as well as some American trucks to operate in Mexico. Previously, Mexican trucks were prohibited from operating beyond a 20-mile commercial zone near border crossings. The pilot program was an effort to comply with the original North American Free Trade Agreement (NAFTA). Under NAFTA, Mexican commercial trucks were to have been given full access to four U.S. border states in 1995 and full access throughout the United States in 2000. Citing safety concerns, the United States refused implementation of NAFTA's trucking provisions until 2007.

Ten American truck carriers with 55 trucks and 27 Mexican carriers with 107 trucks have participated in the program. On August 4, 2008, the Administration extended the pilot program for an additional two years. The pilot has become controversial due to claims that Mexican trucks do not meet U.S. safety standards, however, the Federal Motor Carrier Safety Administration insists that more than 1,300 deliveries have been made in the U.S. during the pilot program without an accident.

ADDITIONAL VIEWS

Statement of Administration Policy: "The Administration strongly opposes H.R. 6630 because it would prevent the United States from meeting its obligations under the North American Free Trade Agreement (NAFTA) and decrease that agreement's benefits to the United States... Enactment of H.R. 6630 would pose significant and immediate risks to U.S. interests. If DOT were forced to terminate the cross-border trucking demonstration project, opportunities and investment returns currently afforded U.S. motor carriers participating in the project would be compromised. If H.R. 6630 were presented to the President, his senior advisors would recommend that he veto the bill." (Statement of Administration Policy, 9/9/08)

COST

The Congressional Budget Office (CBO) estimates that implementing H.R. 6630 "would have no significant impact on spending subject to appropriation." Full CBO Cost Estimate

1420 LONGWORTH HOB WASHINGTON DC 20515

www GOP gov

PHONE 202.225.5107

FAX 202 226 0154

STAFF CONTACT

For questions or further information contact Adam Hepburn at 6-2302.